

SIDE-LETTER AMENDING CFA MOU
ARTICLE 15 – FLEXIBLE BENEFITS PROGRAM

WHEREAS, the Carlsbad Firefighters’ Association, Inc. and representatives of the City of Carlsbad (“City”) met and conferred and reached agreement on a Memorandum of Understanding (MOU) for the period from January 1, 2002 to December 31, 2006.

WHEREAS, representatives of the City and the CFA have reached agreement on the following amendments to the current MOU.

THE CFA AND THE CITY OF CARLSBAD DO HEREBY AGREE THAT:

Article 15 is amended to read as follows:

ARTICLE 15. FLEXIBLE BENEFITS PROGRAM

- A. Employees represented by the CFA, Inc. will participate in a flexible benefits program which includes medical insurance, dental insurance, vision insurance, flexible spending accounts (FSAs) and other insurance-related products offered through the CFA, Inc. Each of these components is outlined below.

Medical Insurance

- A1. During the term of this agreement, represented employees will be covered by the Public Employees’ Medical and Hospital Care Act (PEMHCA) and will be eligible to participate in the CalPERS Health Program. The City will pay on behalf of all employees covered by this agreement and their eligible dependents and those retirees designated in Section D of this Article, the minimum amount per month required under Government Code Section 22825 of the PEMHCA for medical insurance through the California Public Employees’ Retirement System (CalPERS).

All active members of the association must enroll in one of the health plans offered through CalPERS. Within one pay period following City Council approval of this Memorandum, the City shall contribute the following monthly amounts (called Benefits Credits) on behalf of each active employee and eligible dependents toward the payment of 1) medical premiums under the CalPERS health program, 2) contributions in the name of the employee to the City’s flexible spending account(s), 3) contribution of some or all of the premium for dental coverage or vision coverage being paid by the employee through the CFA:

- (a) For employees with “employee only” coverage, the City shall contribute two hundred sixty-four dollars (\$264) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and two hundred sixty-four dollars (\$264), the employee will pay the difference.

- (b) For employees with “employee plus one dependent” coverage, the City shall contribute four hundred thirty-eight dollars (\$438) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and four hundred thirty-eight dollars (\$438), the employee will pay the difference.
- (c) For employees with “employee plus two or more dependents” coverage, the City shall contribute five hundred fifty-eight dollars (\$558) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and five hundred fifty-eight dollars (\$558), the employee will pay the difference.

Effective the pay period inclusive of January 1, 2003:

- (d) For employees with “employee only” coverage, the City shall contribute two hundred ninety-four dollars (\$294) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and two hundred ninety-four dollars (\$294), the employee will pay the difference.
- (e) For employees with “employee plus one dependent” coverage, the City shall contribute four hundred sixty-eight dollars (\$468) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and four hundred sixty-eight dollars (\$468), the employee will pay the difference.
- (f) For employees with “employee plus two or more dependents” coverage, the City shall contribute five hundred eighty-eight dollars (\$588) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and five hundred eighty-eight dollars (\$588), the employee will pay the difference.

- B. The dollar amount paid by the City for each coverage level (employee only, employee plus one dependent, employee plus two or more dependents) will be increased on January 1 in 2004, 2005 and 2006. The amount of the increase will be determined by 1) taking the average percentage increase for all of the CalPERS HMO Health plans for which CFA-represented employees are eligible January 1st of the year in question and 2) adding this percentage increase to the previous calendar year’s monthly City contribution for each coverage level, (rounded to the nearest whole dollar amount) to determine the new monthly City contribution dollar amount.

Under no circumstances will any unused Benefits Credits as outlined above be paid to the employee in cash. If the amount contributed by the City (Benefits Credits) exceeds the cost of the medical insurance purchased by the employee, the employee will have the option of using any “excess credits” to purchase dental insurance, vision insurance or any other insurances provided by the CFA, Inc., or to contribute to a healthcare or dependent care flexible spending account (FSA).

- C. Dental Insurance

Represented employees are eligible to enroll in the City sponsored dental plan.

Vision Insurance

Represented employees are eligible to enroll in the City sponsored vision insurance plan.

- D. Each retired employee who was a member of this bargaining unit is covered by the Public Employees' Medical and Hospital Care Act and is eligible to participate in the California Public Employees' Retirement System (CalPERS) Health Program. Represented employees who retire from the City, either service or disability, shall be eligible to continue their enrollment in the CalPERS Health Program when they retire, provided that the individual is enrolled or eligible to enroll in a CalPERS medical plan at the time of separation from employment and their effective date of retirement is within 120 days of separation. The City will contribute the minimum amount per month required under Government Code Section 22825 of the PEMHCA toward the cost of each retiree's enrollment in the CalPERS Health Program. Direct authorization may be established for automatic deduction of payments for health insurance administered by CalPERS.

IN WITNESS WHEREOF, the parties hereto understand and agree to the above terms and conditions and have caused their duly authorized representatives to execute this side letter on December 1, 2003.

CITY OF CARLSBAD

CARLSBAD FIREFIGHTERS'
ASSOCIATION, INC.

Raymond R. Patchett
City Manager

Fire Captain Michael Davis
President

APPROVED AS TO FORM:

Ronald Ball
City Attorney

Christopher E. Platten
Attorney

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made and entered into this _____ day of _____, 2002, by and between designated management representatives of the City of Carlsbad (hereinafter referred to as the "City") and the designated representatives of the Carlsbad Firefighters' Association, Inc. (hereinafter referred to as "CFA, Inc.").

PREAMBLE

It is the purpose of this Memorandum of Understanding (hereinafter referred to as "Memorandum") to promote and provide for harmonious relations, cooperation, and understanding between the City management representatives and the local safety fire employees covered under this Memorandum; to provide an orderly and equitable means of resolving any misunderstandings or differences which may arise under this Memorandum; and to set forth the agreement of the parties reached as a result of good faith negotiations regarding wages, hours, and other terms and conditions of employment of the employees covered under this Memorandum, which agreement the parties intend jointly to submit and recommend for City Council approval and implementation.

ARTICLE 1. RECOGNITION

The City of Carlsbad recognizes CFA, Inc. as the majority representative for all classifications in this Unit, as set forth in the Petition for Recognition, submitted November 3, 1991, in accordance with the provisions of Section 2.48.090 (1) of the Carlsbad Municipal Code.

ARTICLE 2. IMPLEMENTATION

This Memorandum constitutes a mutual recommendation to be jointly submitted to the City Council following ratification of the Memorandum by the membership of CFA, Inc. It is agreed that this Memorandum shall not be binding upon the parties, either in whole or in part, unless and until the City Council acts by majority vote to formally approve and adopt this Memorandum. It is further agreed that, if the City Council approves and adopts this Memorandum, City management will act in a timely manner to make the changes or recommend the City Council make the changes, in City ordinances, resolutions, rules, policies, and procedures necessary to implement this Memorandum.

ARTICLE 3. TERM

The term of this Memorandum shall be from January 1, 2002, through December 31, 2006.

As of January 1, 2002, the terms of this Memorandum will supersede the provisions of the prior Memorandum approved by Resolution No. 2000-317 adopted by the City Council of the City of Carlsbad on October 17, 2000.

ARTICLE 4. RENEGOTIATION

In the event either party desires to meet and confer in good faith on the terms of a successor Memorandum, that party shall serve upon the other a notice of such intent approximately one hundred twenty (120) days prior to expiration of the Memorandum. Not more than thirty (30) days following such notice the parties shall meet. At such meeting, the parties will decide on a date for the mutual exchange of the issues each wishes to address during the meet and confer process. Such exchange shall occur not more than thirty (30) days after such meeting.

ARTICLE 5. RETENTION OF BENEFITS

The employees represented by CFA, Inc., shall retain all present benefits for the term of this agreement, as amended by this Memorandum, subject to the following provisions:

- Matters That Fall Within the Scope of Representation:

The City agrees to give advance notice and opportunity to meet and confer on the subject of current wage levels and benefits, as matters which fall within the scope of representation, before taking any action impacting employees within the bargaining unit.

- Management Rights:

The City's decisions regarding staffing levels, station closures, layoffs, reorganization, and furloughs which the City may elect to utilize to address fiscal difficulties it faces now or in the future, are management rights. Nevertheless, the City agrees to give advance notice and the opportunity to discuss these subjects before taking any action impacting employees within the bargaining unit.

ARTICLE 6. CITY RIGHTS

The rights of the City include, but are not limited to the exclusive right to determine the mission of its constituent departments, commissions, and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means, and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

ARTICLE 7. NO STRIKE AND NO LOCKOUT

- A. No Strike. During the term of this Memorandum and in accordance with Labor Code Section 1962, neither the employees nor any agents or representatives will instigate, promote, sponsor, engage in, or condone any strike (including sympathy strike), slowdown, concerted stoppage of work, sickouts, or any other intentional disruption of the operations of the City, regardless of the reason for so doing.
- B. Penalty. If a strike occurs in violation of Article 7.A. or Labor Code Section 1962, the City may utilize any legal remedies available to it to halt the strike. In addition, any employee engaging in activity prohibited by Article 7.A. or Labor Code Section 1962, or who instigates or gives leadership to such activity, shall be subject to disciplinary action.
- C. No Lockout. During the term of this Agreement, the City will not instigate a lockout over a dispute with the employees so long as there is no breach of Section 7.A.
- D. Association Official Responsibility. Each employee who is an officer of CFA, Inc. occupies a position of special trust and responsibility in maintaining and bringing about compliance with the provisions of this Article. The employees agree to inform members of their obligations under this Memorandum and Labor Code Section 1962 and to direct them to return to work.
- E. Non-discrimination Clause. Neither City nor CFA, Inc. shall interfere with, intimidate, restrain, coerce, or discriminate against employees covered by this Memorandum because of exercise of rights to engage or not engage in CFA, Inc. activity or because of the exercise of any right provided to the employees by this Memorandum.

ARTICLE 8. COMPENSATION ADJUSTMENTS

Effective the pay period inclusive of January 1, 2002, all represented classifications shall receive a three percent (3%) increase in salary.

Effective the pay period inclusive of January 1, 2003, all represented classifications shall receive a three and one-quarter percent (3.25%) increase in salary.

Effective the pay period inclusive of January 1, 2004, all represented classifications shall receive a four percent (4%) increase in salary.

Effective the pay period inclusive of January 1, 2005, all represented classifications shall receive a four and one-quarter percent (4.25%) increase in salary.

Effective the pay period inclusive of January 1, 2006, all represented classifications shall receive a four and one-quarter percent (4.25%) increase in salary.

ARTICLE 9. BEREAVEMENT LEAVE

An employee working a 112 hours/pay period schedule may use up to two shifts (48 hours) of paid leave if required to be absent from duty due to the death of a member of the employee's immediate family. The usage of bereavement leave, however, is limited to three consecutive days which may or may not include a scheduled shift(s). An employee working an 80 hours/pay period schedule may use up to three work shifts of paid leave if required to be absent from duty due to the death of a member of the employee's immediate family. Additional time off may be authorized by the Fire Chief or his/her designee and charged to accrued vacation or treated as leave without pay.

The "immediate family" shall be defined as: spouse, child, parent, sibling, grandparents (whether natural, legally adopted, step, or in-law) or any person over which the employee acts as legal guardian, or a verifiable current member of the immediate household.

The employee may be required to submit proof of the family member's death before being granted paid leave.

ARTICLE 10. LONG-TERM DISABILITY

During the term of this Memorandum, City agrees to continue to provide long-term disability insurance. Said insurance shall provide for a thirty (30) day waiting period prior to payment eligibility. In all other respects, said insurance shall continue unchanged.

ARTICLE 11. ANNUAL VACATION LEAVE

A. Basis of Accrual

The City and CFA, Inc., agree to continue the following annual vacation leave schedule for all employees working a 112 hours/pay period schedule:

1 through	5 full calendar years of continuous service	-	128 hours
6 through	10 full calendar years of continuous service	-	192 hours
10 through	11 full calendar years of continuous service	-	205 hours
11 through	12 full calendar years of continuous service	-	218 hours
12 through	13 full calendar years of continuous service	-	231 hours
13 through	15 full calendar years of continuous service	-	244 hours
16 and over	full calendar years of continuous service	-	256 hours

The City and CFA, Inc., agree to continue the following annual vacation leave schedule for all employees working an 80 hours/pay period schedule:

1 through	5 full calendar years of continuous service	-	80 hours
6 through	10 full calendar years of continuous service	-	120 hours
10 through	11 full calendar years of continuous service	-	128 hours
11 through	12 full calendar years of continuous service	-	136 hours
12 through	13 full calendar years of continuous service	-	144 hours
13 through	15 full calendar years of continuous service	-	152 hours

16 and over full calendar years of continuous service - 160 hours

B. Vacation Accrual

All employees working a 112 hours/pay period schedule shall be entitled to earn and accrue up to and including four hundred and forty-eight (448) hours of vacation. Effective December 11, 2000, no employee working a 112 hours/pay period schedule will be allowed to earn and accrue vacation hours in excess of the four hundred and forty-eight (448) hour maximum.

All employees working an 80 hours/pay period schedule shall be entitled to earn and accrue up to and including three hundred and twenty (320) hours of vacation. Effective December 11, 2000, no employee working an 80 hours/pay period schedule will be allowed to earn and accrue vacation hours in excess of the three hundred and twenty (320) hour maximum.

Department Heads will encourage the taking of accrued vacation leave. If there are unusual circumstances that would require an employee to exceed the vacation accrual maximum, he/she must submit a request in writing to the Fire Chief and the City Manager. The Fire Chief and the City Manager may grant such a request if it is in the best interest of the City. Requests will be handled on a case-by-case basis and will be considered only in extreme circumstances.

C. Vacation Conversion

Each January, during a pay period to be determined by the City Manager or his/her designee, all employees working a 112 hours/pay period schedule shall be allowed to voluntarily convert up to one hundred twelve (112) hours of accrued vacation to cash, provided that they have used at least one hundred twelve (112) hours of vacation during the prior calendar year, as defined by the twenty-six (26) pay periods in that calendar year.

Each January, during a pay period to be determined by the City Manager or his/her designee, all employees working an 80 hours/pay period schedule will be allowed to voluntarily convert up to eighty (80) hours of accrued vacation to cash, provided that they have used at least eighty (80) hours of vacation during the prior calendar year, as defined by the twenty-six (26) pay periods in that calendar year.

D. Effects of Holiday on Vacation Leave

For all employees who work an 80 hours/pay period schedule, in the event one or more authorized municipal holidays fall within a vacation leave, such holiday shall not be charged as vacation leave, but shall be credited as a holiday.

E. Effect of Leave of Absence on Accrual of Vacation Leave

An employee's accumulation of vacation leave will cease after the completion of two (2) full scheduled pay periods in which the employee has not received compensation due to a leave of absence without pay. Accrual will be reinstituted beginning the first day of the first full pay period after the employee has returned to work.

F. Compensation for City Work During Vacation Prohibited

No person shall be permitted to work for compensation for the City in any capacity, except compensation for mandated court appearances, during the time of his/her paid vacation leave from City service. This clause shall not limit the City's right to recall an employee from vacation in the event of an emergency and place him/her on regular pay status.

G. Scheduling Vacations

An employee may take his/her annual vacation leave at any time during the year, contingent upon determination by his/her Department Head that such absence will not materially affect the department. Each employee must consider the needs of the service when requesting annual vacation leave. An employee shall normally provide forty-eight (48) hours notice in advance of the day(s) he/she is requesting vacation time off. When a family emergency arises which necessitates the use of vacation time, an employee shall provide as much advance notice as possible considering the particular circumstances.

H. Terminal Vacation Pay

An employee with regular status separating from the City service who has accrued vacation leave shall be entitled to terminal pay in lieu of such vacation. No leave credit will be earned on terminal leave payments. When separation is caused by death of an employee, payment shall be made to the estate of such employee or, in applicable cases, as provided in the Probate Code of the State.

ARTICLE 12. SICK LEAVE ACCRUAL

All employees working a 112 hours/pay period schedule shall be entitled to accrue sick leave at a rate of 149 hours per year.

All other employees shall be entitled to accrue sick leave at a rate of 96 hours per year.

ARTICLE 13. BILINGUAL PAY

The City will provide additional compensation to an employee, designated by the Human Resources Department, in the amount of \$40.00 per pay period for the performance of bilingual skills.

In order to qualify for and receive bilingual pay, employees must pass a bilingual proficiency test in the Spanish language as determined appropriate by the City. The City reserves the right to include other languages as eligible for bilingual pay at some future date.

This article shall not be subject to the grievance procedure.

ARTICLE 14. LINEN PROVISION, MAINTENANCE, AND REPLACEMENT

The City agrees to provide one set of bed linen and two towels per person for all personnel working a 112 hours/pay period work schedule. To assist in maintenance, all fire stations will be equipped with washing machines and dryers; shift personnel will be responsible for maintaining their own linens and towels.

The City agrees to replace linens and towels on an “as needed” basis, with a maximum replacement of once per calendar year.

ARTICLE 15. FLEXIBLE BENEFITS PROGRAM

- A. Employees represented by the CFA, Inc. will participate in a flexible benefits program which includes medical insurance, dental insurance, vision insurance, flexible spending accounts (FSAs) and other insurance-related products offered through the CFA, Inc. Each of these components is outlined below.

Medical Insurance

- A1. During the term of this agreement, represented employees will be covered by the Public Employees’ Medical and Hospital Care Act and will be eligible to participate in the CalPERS Health Program. The City will pay on behalf of all employees covered by this agreement and their eligible dependents and those retirees designated in Section D of this Article, the sum of sixteen dollars (\$16) per month for medical insurance through the California Public Employees’ Retirement System (CalPERS). This amount is mandatory regardless of whether the employee chooses to be covered by a medical insurance plan.

All active members of the association must enroll in one of the health plans offered through CalPERS. Within one pay period following City Council approval of this Memorandum, the City shall contribute the following monthly amounts (called Benefits Credits) on behalf of each active employee and eligible dependents toward the payment of 1) medical premiums under the CalPERS health program, 2) contributions in the name of the employee to the City’s flexible spending account(s), 3) contribution of some or all of the premium for dental coverage or vision coverage being paid by the employee through the CFA:

- (a) For employees with “employee only” coverage, the City shall contribute two hundred sixty-four dollars (\$264) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and two hundred sixty-four dollars (\$264), the employee will pay the difference.
- (b) For employees with “employee plus one dependent” coverage, the City shall contribute four hundred thirty-eight dollars (\$438) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and four hundred thirty-eight dollars (\$438), the employee will pay the difference.
- (c) For employees with “employee plus two or more dependents” coverage, the City shall contribute five hundred fifty-eight dollars (\$558) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and five hundred fifty-eight dollars (\$558), the employee will pay the difference.

Effective the pay period inclusive of January 1, 2003:

- (a) For employees with “employee only” coverage, the City shall contribute two hundred ninety-four dollars (\$294) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and two hundred ninety-four dollars (\$294), the employee will pay the difference.
- (b) For employees with “employee plus one dependent” coverage, the City shall contribute four hundred sixty-eight dollars (\$468) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and four hundred sixty-eight dollars (\$468), the employee will pay the difference.
- (c) For employees with “employee plus two or more dependents” coverage, the City shall contribute five hundred eighty-eight dollars (\$588) per month. If the actual total premiums exceed the aggregate of sixteen dollars (\$16) and five hundred eighty-eight dollars (\$588), the employee will pay the difference.

- B. The dollar amount paid by the City for each coverage level (employee only, employee plus one dependent, employee plus two or more dependents) will be increased on January 1 in 2004, 2005 and 2006. The amount of the increase will be determined by 1) taking the average percentage increase for all of the CalPERS HMO Health plans for which CFA-represented employees are eligible January 1st of the year in question and 2) adding this percentage increase to the previous calendar year’s monthly City contribution for each coverage level (rounded to the nearest whole dollar amount) to determine the new monthly City contribution dollar amount.

Under no circumstances will any unused Benefits Credits as outlined above be paid to the employee in cash. If the amount contributed by the City (Benefits Credits) exceeds the cost of the medical insurance purchased by the employee, the employee will have the option of using any “excess credits” to purchase dental insurance, vision insurance or any

other insurances provided by the CFA, Inc., or to contribute to a healthcare or dependent care flexible spending account (FSA).

C. Dental Insurance

Represented employees are eligible to enroll in the City sponsored dental plan.

Vision Insurance

Represented employees are eligible to enroll in the City sponsored vision insurance plan.

- D. Each retired employee who was a member of this bargaining unit is covered by the Public Employees' Medical and Hospital Care Act and is eligible to participate in the California Public Employees' Retirement System (CalPERS) Health Program. Represented employees who retire from the City, either service or disability, shall be eligible to continue their enrollment in the CalPERS Health Program when they retire, provided that the individual is enrolled at the time of separation from employment and their effective date of retirement is within 120 days of separation. The City will contribute up to a maximum of sixteen dollars (\$16.00) per month toward the cost of each retiree's enrollment in the CalPERS Health Program. Direct authorization may be established for automatic deduction of payments for health insurance administered by CalPERS.

ARTICLE 16. COMMUNICATIONS

The parties agree to continue meeting at least once each month during the term of this agreement for the purpose of continuing communications on subjects of mutual concern.

ARTICLE 17. HOLIDAYS

The City shall observe the following scheduled paid holidays, consistent with the annual holiday schedule published by the Human Resources Department:

New Year's Day	Columbus Day
Martin Luther King Jr. Birthday	Veteran's Day
Lincoln's Birthday	Thanksgiving
Washington's Birthday	Thanksgiving Friday
Memorial Day	Christmas Day
Independence Day	One (1) Floating Holiday
Labor Day	

Employees working a 112 hours/pay period schedule shall be compensated for eight (8) hours of holiday work at a rate of time and one half during the pay period in which the holiday occurs. The floating holiday will be compensated during the pay period inclusive of April 15.

Employees working a 80 hours/pay period schedule will observe the scheduled paid holidays listed above, and will be allowed to use the floating holiday at the discretion of the employee upon prior approval of the Department Head.

ARTICLE 18. RETIREMENT BENEFITS

- 18.1 The City agrees to continue to pay the employer's contribution rate required by the California Public Employees' Retirement System (CalPERS) to maintain the level of benefits for employees covered by this Memorandum.
- 18.2 The City will contract with CalPERS to provide the "3% @ 50" retirement benefit for all local fire employees effective the pay period inclusive of January 1, 2004.
- 18.3 The City will begin reporting the value of Employer Paid Member Contributions (EPMC) as additional compensation to CalPERS for all local fire employees as soon as administratively possible following City Council approval of this agreement.
- 18.4 The City will continue to pay one hundred percent (100%) of the employee's nine percent (9%) contributions to CalPERS until the pay period inclusive of January 1, 2004.
- 18.5 Effective the pay period inclusive of January 1, 2004, the City will pay on behalf of all local fire employees eight percent (8%) of the employee's retirement contribution to CalPERS. Effective the pay period inclusive of January 1, 2004, each local fire employee will pay the additional one percent (1%) employee retirement contribution to CalPERS. This one percent (1%) employee retirement contribution will be deducted from each employee's salary on a pre-tax basis by implementing provisions of section 414(h)(2) of the Internal Revenue Code (IRC).

ARTICLE 19. PROVISION OF 1959 PERS SURVIVORS' BENEFIT

The City agrees to provide the Fourth Level of the 1959 Survivors' Benefit.

ARTICLE 20. COMPENSATORY TIME

Employees shall be entitled to bank compensatory time in lieu of receiving overtime pay. For each hour of overtime worked, the employee will be entitled to 1.5 hours of compensatory time. Compensatory time is subject to the following conditions:

A. EMPLOYEES WORKING A 112 HOUR/PAY PERIOD SCHEDULE:

- 1. Compensatory time shall be kept in an individual account for each employee. Accounts may be cashed out, at the employee's option, at the pay period falling on or directly following July 1st of each calendar year. This cash out will occur if the employee has provided written notice to the City by June 15th of their intent to cash out. In any event, all accounts shall be cashed out on December 1st of each calendar year.

2. Compensatory time may not be used for leave time.
3. If an employee's sick leave balance drops below 100 hours, they are entitled to convert up to 9 shifts worth of banked compensatory time (on an hour for hour ratio) to sick leave, up to a maximum sick leave balance of 216 hours.

B. EMPLOYEES WORKING AN 80 HOURS/PAY PERIOD SCHEDULE:

1. Overtime

Any employee required to perform in excess of 40 hours in a 7 day cycle and/or in excess of an employee's normal work day shall receive compensation at the rate of time and one-half his/her regular rate of pay. The regular rate of pay shall include the following components in addition to base salary:

1) Bilingual Pay

In determining an employee's eligibility for overtime, paid leaves shall be included in the total hours worked. Excluded from the total hours worked are duty free lunches, travel time to and from work, and time spent conducting bona fide volunteer activities.

There shall be no pyramiding of overtime. Hours worked by an employee in any workday or workweek on which premium rates have once been allowed shall not be used again in any other overtime calculation other than computing total actual hours worked.

Time worked shall be computed by rounding to the nearest quarter of an hour.

2. Compensatory Time

In lieu of receiving overtime pay pursuant to Section 1 above, an employee may elect, subject to department approval, to receive compensatory time off on a time and one-half basis. No employee shall accrue more than 80 hours of such compensatory time. Should any employee exceed 80 hours of accrued compensatory time, he/she shall be paid at time and one-half his/her regular rate. An employee may use such compensatory time within a reasonable period after making the request if the use of compensatory time does not unduly disrupt the operations of the department.

On December 1 of each year, an employee may elect to "cash out" any portion of his/her accrued compensatory time at his/her regular rate of pay. Notice shall be provided to the Human Resources Department no later than November 15 of the employee's election to "cash out" a portion of his/her accrued compensatory time. This "cash out" shall be paid during the first pay period in December.

ARTICLE 21. FLEXIBLE WORK SCHEDULES FOR DEPUTY FIRE MARSHAL

Employees hired by divisions currently operating on an alternative work schedule shall be subject to having their daily work schedule changed at the sole discretion of the department. Such changes include, but are not limited to, a) number of days/hours to be worked on a daily basis and in a payroll period; b) normal days off; and c) starting/ending times of assigned shifts. This article shall not be subject to the grievance procedure.

9/80 Alternative Work Schedule:

The parties acknowledge that they met and conferred in good faith over the terms and conditions for implementation of a 9/80 work schedule for the Deputy Fire Marshal. The result of that meeting and conferring is reflected in the City of Carlsbad's Administrative Order No. 57, by which the parties will control implementation of the 9/80 schedule. It is agreed that the 9/80 schedule will be implemented on a trial basis for a minimum period of nine (9) months and that an evaluation will be conducted to determine whether the 9/80 will be adopted. This article shall not be subject to the grievance procedure.

ARTICLE 22. AMERICANS WITH DISABILITIES ACT

The parties acknowledge the applicability of the Americans With Disabilities Act (ADA) and intend to apply and implement this MOU so as to comply with the ADA. The parties agree to consult if compliance with the ADA may require modifying the provisions of this MOU.

ARTICLE 23. FAMILY LEAVE ACT

The parties acknowledge the applicability of the Family Leave Act (Act) and intend to apply and implement this MOU so as to comply with the Act. The parties agree to consult if compliance with the Act may require modifying the provisions of this MOU.

ARTICLE 24. DISCIPLINE OF AN EMPLOYEE

- 24.1 The City may discipline a regular employee for just cause. In the case of disciplinary action involving suspension, demotion or discharge, the employee shall be given notice of the action to be taken, the evidence or materials upon which the action is based, and an opportunity to respond to the Fire Chief either orally or in writing, provided the employee requests the opportunity within seven (7) calendar days of the notice of the action. The above process will occur prior to the imposition of the discipline.
- 24.2 Except as provided in Section 24.3, an employee has the right to appeal discipline according to the appeal procedure as set out below. Written notice of discipline shall inform and remind the disciplined employee of this right.
- 24.3 A probationary employee (entry level or promotional) rejected during the probationary period shall not be entitled to appeal such rejection to the Personnel Board.

- 24.4 Right of Appeal. Within seven (7) calendar days of receipt of the notice of discipline, a regular employee shall have the right to appeal to the Personnel Board disciplinary action, except in instances where the right of appeal is specifically prohibited by the Personnel Ordinance or Personnel Rules, or this Article.
- 24.5 Method of Appeal. Appeals shall be in writing, signed by the employee, and filed with the Human Resources Director, who shall, within ten (10) calendar days after receipt of the appeal, inform each Personnel Board member of the action desired by the employee and the reasons why. The formality of a legal pleading is not required.
- 24.6 Notice. Upon the filing of an appeal, the Human Resources Director will set a date for the hearing on the appeal not less than ten (10) calendar days nor more than thirty (30) calendar days from the date of filing, unless the parties mutually agree to a later hearing date. The Human Resources Director will notify all interested parties of the date, time, and place of the hearing.
- 24.7 Hearings. Unless physically unable to do so, the employee must appear personally before the Personnel Board at the time and place of the hearing. The employee may be represented at the hearing by any person or attorney the employee selects and may produce any relevant oral or documentary evidence. The City will state its case first and, at the conclusion, employee may then present evidence. Rebuttal evidence not repetitive may be allowed in the discretion of the Personnel Board. Cross-examination of witnesses will be permitted. The conduct and decorum of the hearing will be under the control of the Personnel Board by its chairman, with due regard to the rights and privileges of the parties appearing before it. Hearings need not be conducted according to technical rules relating to evidence and witnesses. Hearings will be closed unless at least four (4) business days prior to the hearing the employee, in writing, requests an open hearing. If either party disagrees with the Personnel Board's recommendation, that party may appeal within ten (10) calendar days to the City Manager.
- 24.8 Findings and Recommendations. The Personnel Board will, within ten (10) calendar days after the conclusion of the hearing, certify its findings and decisions in writing to the City Manager and to the employee. The City Manager will review the findings and recommendations of the Personnel Board and may then affirm, revoke or modify the action taken as, in the City Manager's judgment, seems warranted, and the action taken will be final. Any member of the Personnel Board may submit a minority or supplemental finding and recommendation.

ARTICLE 25. GRIEVANCE PROCEDURE

- 25.1 A grievance is an allegation made by an employee that the employee has been damaged or denied a benefit by the City due to misapplication or a mistaken interpretation of a specific provision of this Agreement.
- 25.2 Reviewable and Non-Reviewable Grievances

- 25.2.1 To be reviewable under this procedure a grievance must:
- (a) Concern matters or incidents that have occurred.
 - (b) Result from an act or omission by management regarding working conditions or other matters contained in this Agreement over which the Fire Chief has control.
 - (c) Arise out of a specific situation, act, or acts which result in damage to the employee.
 - (d) Arise out of a misinterpretation or misapplication of this Agreement.

- 25.2.2 A grievance is not reviewable under this procedure:
- (a) If it is a matter which would require a modification of a policy established by City Council or by law;
 - (b) Is reviewable under some other administrative procedure and/or rules of the City of Carlsbad (See, e.g., Article 24 Discipline), such as:
 - (1) Applications for changes in title, job classification, or salary.
 - (2) Appeals from formal disciplinary proceeding.
 - (3) Appeals from work performance evaluations.

25.3 Special Grievance Procedure Provisions: The following special provisions apply to the grievance procedure.

- 25.3.1 Procedure for Presentation: In presenting a grievance, an employee shall follow the sequence and the procedure outlined in Section 25.4 of this procedure.
- 25.3.2 Prompt Presentation: The employee shall discuss the grievance with an immediate supervisor promptly after (i.e., when grievant knew or should have known) the act or omission of management caused the grievance.
- 25.3.3 Prescribed Form: The written grievance shall be submitted on a form prescribed by the Human Resources Director for this purpose.

- 25.3.4 Statement of Grievance: The grievance shall contain a statement of:
- (a) The specific facts or actions, including dates, which constitute the basis for the grievance.
 - (b) The article that was misapplied or misinterpreted.
 - (c) The damage suffered by the employee.
 - (d) The relief sought.
- 25.3.5 Employee Representative: The employee may choose someone as a representative at any step in the procedure. No person hearing a grievance need recognize more than one representative for any one time, unless he/she so desires.
- 25.3.6 Interested Parties: Interested parties may provide information during the hearing of the grievance at any step of the grievance procedure.
- 25.3.7 Handled During Working Hours: Whenever possible, grievances will be handled during regularly scheduled working hours.
- 25.3.8 Extension of Time: The time limits within which action must be taken or a decision made as specified in this procedure may be extended by mutual written consent of the parties involved. A statement of the duration of such extension of time must be signed by both parties involved at the step to be extended.
- 25.3.9 Consolidation of Grievances: If the grievance involves a group of employees or if a number of employees file separate grievances on the same matter, the grievances may be handled as a single grievance.
- 25.3.10 Settlement: Any grievance shall be considered settled at the completion of any step if the grievant is satisfied or if the grievant does not appeal the matter to a higher authority within the prescribed time.
- 25.3.11 Reprisal: The grievance procedure is intended to assure a grieving employee the right to present a grievance without fear of disciplinary action or reprisal, provided the provisions of the grievance procedure are observed. Copies of grievance forms will not be placed in employee personnel records but will be maintained in separate files in the Human Resources Department.
- 25.4 Grievance Procedure Steps: The following procedure shall be followed by an employee submitting a grievance for consideration and action.

- 25.4.1 Discussion With Supervisor: The employee shall discuss the grievance with the employee's immediate supervisor informally. Within seven (7) calendar days, the supervisor shall give a decision to the employee verbally.
- 25.4.2 Step 1: If the employee and the supervisor cannot reach an agreement to resolve the grievance, the employee may within seven (7) calendar days present the grievance in writing to the supervisor. The supervisor shall memorialize the prior verbal decision on the grievance and present the grievance to the next-level supervisor within seven (7) calendar days.
- The next-level supervisor shall hear the grievance and shall give a written decision to the employee within seven (7) calendar days after receiving the grievance. This portion of this step shall be repeated as necessary until the next-level supervisor is a Division Chief.
- 25.4.3 Step 2: If the employee and the next-level supervisor cannot reach an agreement to resolve the grievance, the employee may within seven (7) calendar days present the grievance in writing to the Fire Chief. The Fire Chief shall hear the grievance and shall give the written decision to the employee within seven (7) calendar days after receiving the grievance.
- 25.4.4 Step 3: If the employee and Fire Chief cannot reach an agreement as to the solution of the grievance, the employee within seven (7) calendar days may present the grievance in writing to the Personnel Board. A copy of the grievance shall also be presented to the Assistant City Manager who may conduct a meeting with the grievant and/or CFA representative to identify and clarify disputed issues and attempt to resolve the grievance prior to presentation of the grievance to the Personnel Board.
- 25.4.5 Step 4: If the matter is not otherwise resolved, the Personnel Board shall, within thirty (30) calendar days after receipt of the grievance, hear the grievance and render an advisory opinion to the City Manager. The City Manager shall, within fourteen (14) calendar days after receipt of the advisory opinion, notify the employee of the final action.
- 25.4.6 Any of the above steps may be waived by mutual agreement of the parties.

ARTICLE 26. ALCOHOL AND DRUG POLICY

I. POLICY

It is the policy of the City of Carlsbad to provide, for its employees, a work environment free from the effects of drugs and alcohol consistent with the directives of the Drug Free Workplace Act. The City of Carlsbad agrees to use a clinical laboratory which is certified by the National Institute on Drug Abuse (NIDA), now known as the Substance Abuse & Mental Health Services Administration (SAMHSA). All procedures and protocols for collection, chain of custody and testing will be conducted consistent with standards required under SAMHSA certification. This policy is intended to accomplish that objective.

A. Definitions - As Used in This Policy:

1. "Drug" means any substance which produces a physical, mental, emotional or behavioral change in the user, including but not limited to, prescription medications, heroin, cocaine, morphine and its derivatives, P.C.P., methadone, barbiturates, amphetamines, methamphetamines, alcohol, marijuana, and other cannabinoids.
2. "Workplace" means any site where City-assigned work is performed, including City premises, City vehicles or other premises or vehicles, while City-assigned work is being conducted, or within a reasonable time thereafter.
3. "Reasonable suspicion" means a standard for evidence or other indication of impairment of normal physical or mental skills by alcohol or drugs where such impairment could negatively affect work performance or could pose a threat to public or employee safety.

B. Employee Responsibilities

1. As a condition of employment, employees shall:
 - a. not engage in the unlawful manufacture, distribution, dispensation, possession or use of alcohol or drugs nor be under the influence of alcohol or drugs in the workplace or while on-call;
 - b. submit to an alcohol and drug analysis and remain on the premises when requested to do so by City management, acting pursuant to this policy, or by law enforcement personnel;
 - c. notify the City of any conviction under a criminal drug statute (including any pleas of nolo contendere), if such conviction was based on a violation which occurred in the workplace, no later than five days after such conviction; (notification under this subsection does not relieve an employee from the disciplinary

consequences of the conduct upon which a criminal conviction is based); and

- d. abide by all terms of this policy.
2. Employees are encouraged to notify their supervisors when taking any medication or drugs, prescription or non-prescription (over-the-counter medications), which may interfere with safe or effective performance of their duties or operation of City equipment.
3. Off-duty involvement with any controlled substance including, but not limited to manufacture, distribution, dispensing, possession, use or any conviction under a criminal drug statute whose scope and employment are relevant to City employment may result in disciplinary action up to and including termination if there is relevant nexus between such off-duty involvement and the employee's employment with the City, consistent with the legal requirements for disciplinary due process.

C. Employer Searches

For the purpose of enforcing this policy and maintaining a drug-free workplace, the City reserves the right to search, with or without prior notice to the employee, all work areas and property in which the City maintains full or joint control with the employee, including but not limited to City vehicles, desks, lockers, file cabinets, and bookshelves. These areas remain part of the workplace context even if the employee has placed personal items in them. Employees are cautioned against storing personal belongings in work areas under full or joint City control since such work areas may be subject to investigation and/or search under this policy.

Employer searches shall occur when there is a determination of "reasonable suspicion" as defined herein. Such searches shall be conducted by persons having supervisory and/or other legal authority to conduct such searches. Searches will not normally occur without concurrence of more than one supervisor. Nothing herein shall prevent the City from taking appropriate action if there is an inadvertent discovery of evidence of drug or alcohol use.

D. Consequences of Violation of Policy

1. Failure to abide by the terms of this policy shall be grounds for disciplinary action, up to and including termination.
2. In addition to any disciplinary action, an employee who fails to abide by this policy may also be directed or allowed to satisfactorily

participate in an approved alcohol or substance abuse assistance or rehabilitation program.

II. DRUG AND ALCOHOL ANALYSIS

A. Pre-employment Drug and Alcohol Analysis

1. Prior to receiving an offer of employment, an otherwise successful candidate must submit to a drug and alcohol analysis. At the City's discretion, this analysis may be in the form of "breathalyzer," urine, or blood analysis.
2. Persons whose results are positive for either drugs or alcohol will be rejected for City employment.

B. Employee Drug and Alcohol Analysis

1. If a manager or supervisor of the City has reasonable suspicion that an employee is under the influence of drugs or alcohol while in the workplace or subject to duty, the employee shall be:
 - a. Prevented from engaging in other work; and
 - b. Required to submit to a drug and alcohol analysis. At the City's discretion, this analysis may be in the form of "breathalyzer," urine, or blood analysis.
 - c. An employee may also be required to remain on the premises for a reasonable time until arrangements can be made to transport the employee to his or her home.
2. Some examples of "reasonable suspicion" as defined in Section I.A.3. include, but are not limited to, the following, when confirmed by more than one person having supervisory authority:
 - a. slurred speech.
 - b. alcohol odor on breath;
 - c. unsteady walking or movement not related to prior injury or disability;
 - d. an accident involving City property having no obvious causal explanation other than possible employee responsibility;

- e. physical or verbal behaviors that are disruptive, non-responsive, unusual for that employee or otherwise inappropriate to the workplace situation;
 - f. attributable possession of alcohol or drugs;
 - g. information obtained from a reliable person with personal knowledge that would lead a reasonably prudent supervisor to believe that an employee is under the influence of alcohol or drugs.
- 3. Refusal to remain on the premises or to submit to a drug and alcohol analysis when requested to do so by City management or by law enforcement officers shall constitute insubordination and shall be grounds for discipline, up to and including termination.
 - 4. A drug and alcohol analysis may test for the presence of any drug which could impair an employee's ability to effectively and safely perform the functions of his or her job.
 - 5. A positive result from a drug and alcohol analysis may result in disciplinary action, up to and including termination.
 - 6. City agrees to take steps to protect the chain of custody of any drug test sample.
 - 7. Employee will be placed on paid administrative leave pending the completion of any testing process and any investigation deemed necessary by the City.

III. EMPLOYEE ASSISTANCE PROGRAM

- A. The City has a well-established voluntary Employee Assistance Program (EAP) to assist employees who seek help for substance abuse problems. The EAP is available for assessment, referral to treatment, and follow-up. Any employee of the City wishing confidential assistance for a possible alcohol or drug problem can call the EAP office and arrange for an appointment with a counselor. The EAP program is provided by Integrated Insights and can be reached by calling 1(800) 342-8111.
- B. Employees who are concerned about their alcohol or drug use are strongly encouraged to voluntarily seek assistance through the EAP. All self-referral contacts are held in confidence by the EAP.

- C. Participation in the employee assistance program will not replace normal disciplinary procedures for unsatisfactory job performance or for violation of any City policy.

ARTICLE 27. AUTHORIZED AGENTS

For the purpose of administering the terms and provisions of this Memorandum of Understanding:

- A. City's principal authorized agent shall be the City Manager or a duly authorized representative. Address: 1200 Carlsbad Village Drive, Carlsbad, California 92008; Telephone (760) 434-2852, except where a particular City representative is specifically designated in connection with the performance of a specific function or obligation set forth herein.
- B. CFA, Inc., principal authorized agent shall be its President or duly authorized representative. Address: Carlsbad Safety Center, 2560 Orion Way, Carlsbad, California 92008-7280; Telephone: (760) 931-2127.

ARTICLE 28. FULL UNDERSTANDING, MODIFICATION, WAIVER

- A. It is the intent of the parties that this Memorandum set forth the full and entire understanding of matters agreed to upon conclusion of meet and confer sessions which resulted in this Memorandum. Any other matters not contained herein, which were addressed during the course of the meet and confer process, resulting from this Memorandum, are superseded and terminated in their entirety. Any understanding or agreement, not contained herein, whether formal or informal, which occurred during the course of meet and confer sessions, resulting in this Memorandum, are terminated or superseded in their entirety.
- B. It is the intent of the parties that this Memorandum be administered in its entirety in good faith during its full term.

It is recognized that if during such term it may be necessary for the City to propose changes in matters within the scope of representation not contained in this agreement, the City shall notify CFA, Inc., indicating the proposed change prior to its implementation. If CFA, Inc., wishes to consult or negotiate with the City regarding the matter, CFA, Inc., shall notify the City within five (5) working days from the receipt of such notice. Upon receipt of such notice, the parties shall meet promptly in an earnest effort to reach a mutually satisfactory resolution of any problem arising as a result of the change instituted by the City.

Where the City makes such changes because of the requirements of the law, the City shall not be required to negotiate the matter of compliance with any such law.

Nothing herein shall limit the authority of the City to make such changes required during emergencies. However, the City shall notify CFA, Inc. of such changes as soon as practicable. Such emergency changes shall not extend beyond the period of emergency. "Emergency" shall be defined as an unforeseen circumstance requiring immediate implementation of the change.

- C. Failure by CFA, Inc. to request consultation or negotiations pursuant to Paragraph B shall not be deemed as approval of any action taken by the City.
- D. Except as specifically provided in this Memorandum, it is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right and agrees that the other shall not be required to negotiate with respect to any other matters within the scope of negotiations during the term of this Memorandum.
- E. Any agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the City Council.
- F. The waiver of any breach, term, or condition of this Memorandum by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

ARTICLE 29. PROVISIONS OF LAW

It is understood and agreed that this Memorandum of Understanding is subject to all current and future applicable federal and state laws and federal and state regulations. If any part or provision of the Memorandum is in conflict or inconsistent with such above applicable laws, rules and regulations, or is otherwise held to be invalid or unenforceable by any tribunal or competent jurisdiction, such part or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this Memorandum shall not be affected thereby.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Memorandum of Understanding the day, month, and year first above written.

CITY OF CARLSBAD

RAYMOND R. PATCHETT, City Manager

Approved as to form:

RONALD R. BALL, City Attorney

CARLSBAD FIREFIGHTERS' ASSOCIATION, INC.

RICHARD FISHER, President

Approved as to form:

CHRISTOPHER E. PLATTEN, Attorney